Chelsen Street Bideo-Productions, Inc.

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DOCKET FILE COPY ORIGINAL

July 18, 1995

EX PARTE OR LATE FILED

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92-228

Secretary of the Federal Communications Commission 1919 M Street Northwest Washington D.C. 20554

Re; Ex-parte letter in MM docket

JUL 2 4 1995

To whom it may concern,

FCC MAIL ROOM

I am writing to you out of absolute frustration and anger.

I called Nevada Senator Richard Bryan's office in Washington D.C. and spoke with Karen Kirchgasser in regard to the following text. I asked her who in the world might be able to help or at least point us in the right direction.

Through numerous telephone conversations in the last two weeks, I have discovered that there may be a review, by the FCC, in regard to the excessive rates cable operators are allowed to charge cable origination television stations.

This is our plight. My wife and I started a cable origination television station in Laughlin, Nevada over six years ago. We never expected it to grow to its current size but it did. We started out with one set of editing bays, a Super-VHS camcorder and a great deal of hope.

The Cable system in Laughlin has always been very easy to work with and has not asked for very much.

We had been asking Dimension Cable Systems in Bullhead City, Arizona to put us on their system for the last five years. We were willing to pay the price of the microwave dish, etc. They were very hard nosed and absolutely refused to entertain the idea.

tv2 xLBC

No. of Copies rec'd 012 List A B C D E Finally, in September of 1994 a contract was signed with Dimension Cable Systems/Times Mirror, Inc., to provide us with leased access cable space in Bullhead City, Arizona. Herein lies the problem.

According to the current Cable Act they were allowed to charge us up to \$8,000.00 a month for this space. After months and months of negotiations we finally brought the price down to \$4,300.00 per month for the first year and a five percent increase each year thereafter.

Prior to the initial negotiations we had gone to our bank and borrowed \$100,000.00 to expand and improve our station. We could not even begin to imagine we would be faced with a ridiculous and outrageous fee.

Throughout the entire negotiation process we tried to tell the Corporate officials in Irvine, California the Bullhead City market did not warrant the kind of money they were asking.

This small cable system only offers a total viewership of 12,500 subs. The most expensive advertising spot you can sell in this market area on television is \$17.50, and you cannot get that very often.

We provide the Tri-State area with daily, local, up-to-date news, weather and sports. We have a weekly talk show with guests such Senators Bryan and Reid, Congresswoman Barbara Vuconovich and Governor Bob Miller. In fact we have had every head of state from Nevada and several from Arizona in our studio at one time or another. We also provide more Public Service Announcements than any fully regulated broadcast station.

We are well known in the area for taking a sincere interest in the students at the local schools. We produce and air at least six football and six basketball games every year, in their entirety.

We employ 10 full-time and three part-time area residents. We use students from the High Schools in apprenticeship programs whenever possible. We donate our time and money to numerous charities and service organizations. We are not a burden on the system and we pay our own way. We pay our share of taxes and do it in a timely manner. Our programming is that of a station proud to be a part of the community.

Because of these excessive fees, we cannot provide pay increases to our loyal employees nor can we afford to hire any additional employees to take some of the burden off their shoulders.

Over the last nine months we have kept a very close eye on the additional revenues being generated from the Bullhead City market area. The fact is, even with additional sales staff, new programming and an extremely good signal, we are losing money.

I know you are not responsible for contracts we have entered into but, this problem would not have manifested itself had the FCC not allowed, or trusted, the Cable Operators to act in a responsible and professional manner. At this point it is obvious the little guy needs protection from outrageous and unfounded price gouging.

In August our monthly commitment increases to \$4,800.00 per month. All of that in a market area where the average business advertising budget is less than \$500.00 per month.

Why should a full power broadcast station from Phoenix, Arizona, on translator from over 300 miles away, have the ability to secure a channel on this system, free, when they provide absolutely no local information nor provide jobs for anyone in the area?

The attitude of the cable system is, if I don't want, or can't afford to pay the price, they will fill the channel with something from the satellite. Where in the world is their commitment to the local area as dictated by the FCC?

In closing, we are pulling our hair out trying to find some of relief from this unbelievable situation. Can you help?

Sincerest Regards,

R. Bruce Clark General Manager/Co-owner

Druce Coa

TV-2/KLBC Laughlin, Nevada

Bullhead City, Arizona

cc: Lynn Crakes